

**Executive Finance Committee Meeting
6/6/11
Commissioner's Conference Room, Newport**

EFC Members Present: Reps. Philip "Joe" Osgood, Rep. John Cloutier, Thomas Laware, Spec Bowers, Beverly Rodeschin (ex officio)

EFC Members Absent: Rep. Charlene Lovett (Entered meeting at 8:48 am)

County Employees and Elected Officials Present: County Administrator Greg Chanis, SCHC (Sullivan County Health Care) Administrator Ted Purdy, Facilities Manager John Cressy, DOC (Department of Correction) Superintendent Ross Cunningham

Press Present: Eagle-Times Archie Mountain

Public Present: Former Rep. Larry Converse, Anne Nilsen

The EFC Chair, Rep. Osgood, opened meeting at 8:34 am, and said he expects Rep. Lovett to enter meeting shortly.

Mr. Chanis announced that after consulting with Rep. Rodeschin, the Sullivan County Delegation Chair, that the County Convention or Delegation meeting to consider the proposed Fiscal year 2012 Budget has been postponed from June 27 to June 30 at 10 am, place yet to be announced.

Rep. Rodeschin said that according to her informed sources that will be no cost-shifting to counties and municipalities as a result of the proposed state budget. The only cost-shifting will be to municipal employees.

Rep. Rodeschin also announced that Rep. Cloutier was elected the new Delegation Clerk at the Delegation's June 1 meeting, replacing Rep. Steven Smith, who resigned.

Rep. Lovett entered meeting at 8:48 am.

Rep. Bowers moved, Rep. Lovett seconded a motion to accept the May 23 EFC meeting minutes with two minor word corrections.

Mr. Chanis then reviewed his 6-3-11 memo to the EFC, along with attachments on the EFC's request to the commissioners and Mr. Chanis for possible proposal Fiscal Year 2012 Budget reductions. Reductions that would total about \$333,750 and result in only about a 3 percent increase in property taxes over the Fiscal Year 2011 Budget. (See enclosed 6-3-11 Memo with Attachments)

Mr. Chanis said that while the commissioners came up with a list of possible proposed reductions they and the various department heads are not happy with many of the proposed reductions. In other words, they "do not endorse" the reductions as stated in their 6-3-11 Memo.

Former Rep. Suzanne Gottling entered meeting at about 9:10 am.

Mr. Chanis then reviewed and answered questions from the EFC about the attached information to his 6-3-11 Memo, and was helped by Mr. Cunningham.

Rep. Rodeschin said that the Town of Sunapee is very concerned about the increase in taxes as proposed by the Fiscal Year 2012 County Budget. Added her town of Newport is struggling with budget issues after last month's town meeting rejected all spending articles.

Specifically, the EFC then reviewed the list of possible budget reductions as suggested at their 5-31-11 special meeting (See attached list).

Mr. Purdy answered specific questions about proposed cuts in SCHC's proposed budget from Reps. Cloutier and Lovett.

High Sheriff Mike Prozzo entered meeting at 9:36 am.

In response to Rep. Osgood's question about the Commissioners proposed cuts, totalling \$86,000 in the county grants – Mr. Chanis said the cuts were 50% across the board and not specific to any one grant proposal. He added that commissioners believe that grants are not "a core function" of county government.

Commissioner Ben Nelson entered meeting at 9:44 am along with Cooperative Extension's Seth Wilner.

At Rep. Cloutier's request, Mr. Chanis said he would attempt to bring County Soil Conservation District's Janice Heighes into the meeting so as to answer any questions about proposed budget cuts to her agency.

Commissioner Nelson then described his fellow commissioner's rationale for the list of proposed budget cuts.

Ms. Heighes entered meeting at 9:49 am. Answered questions about her agency and its funding. Stated that the total elimination of her agency as possibly suggested by the commissioners would probably result in Sullivan County residents having no other agency to turn to in dealing with soil issues.

Mr. Wilner then answered questions about Cooperative Extension's duties, and about the possible elimination of one of Cooperative Extension's part-time position as part of the Commissioners suggested budget reductions.

Commissioner Nelson left meeting at 10:02 am.

EFC continued reviewing list of commissioners suggested reductions. By tentative consensus agreed to reduce Cooperative Extension's PT position by \$13,000, the HR (Human Resources), Employee Appreciation Budget by \$6,000, Commissioners' Legal Expenses by \$4,000, and the DOC's Contract Services line item by \$7,000 for the printer lease.

Rep. Cloutier left meeting at 10:16 am returned at 10:19 am.

EFC continued to review the list of commissioners suggested reductions, including the \$26,000 cut of two part-time maintenance positions in the Facilities Dept.. Mr. Cressy answered questions about the suggested cut.

Next, the EFC further discussed the commissioners' suggested cuts in the SCHC Budget with Mr. Purdy.

Rep. Rodeschin and Mr. Chanis discussed whether and how proposed public employee pension reforms would affect Fiscal Year 2012 County Budget. They agreed that the delegation should have a clearer picture of how the reforms will affect the next budget by the time of the June 30 County Convention.

Rep. Rodeschin left meeting at about 10:55 am, and returned at about 11:03 am.

At Rep. Osgood's suggestion, EFC then discussed possibly reversing its \$10,000 grant increase to Community Transportation that it had approved at its May 23, 2011 meeting. A \$10,000 increase over the Commissioners recommended grant for Fiscal Year 2012.

Vigorous discussion then ensued among EFC members about the entire issue of public transportation.

Rep. Osgood moved, Rep. Bowers seconded a motion to reduce the Community Transportation's grant by \$10,000.

Motion was defeated on a 3-2 show-of-hands vote (Reps. Cloutier, Lovett, and Laware voted "No", while Reps. Osgood and Bowers' voted "YES")

Rep. Lovett Moved, Rep. Bowers seconded a motion to fund Community Transportation at \$30,000 only a \$5,000 increase over what the commissioners had originally proposed. Motion was approved on a 4-1 show-of-hands vote (Reps. Osgood, Bowers, Laware, and Lovett voted "Yes", while Rep. Cloutier voted "No")

Rep. Rodeschin announced that the June 30 County Convention at 10 am will be held in the Lou Thompson Room of Newport's Sugar River Tech. Center.

Rep. Bowers moved, Rep. Cloutier seconded a motion to take \$250,000 from the County Fund Balance in order to provide more revenue for the Fiscal Year 2012 Budget so as to reduce taxes.

Mr. Chanis opposed the motion stating that using more of the county's Fund Balance to provide budget revenue would be bad for the county's long-term fiscal picture, especially 2-3 years from now, though it might be beneficial to taxpayers this year.

Rep. Bowers defended his motion, but Rep. Osgood stated his opposition to it.

Mr. Chanis said that he estimates that if the additional \$250,000 was taken out of Fiscal Balance to help pay for the Fiscal Year 2012 Budget, then should be about \$1.25 million in the Fund Balance at the end of Fiscal Year 2012 on June 30, 2012.

Rep. Lovett moved, Rep. Cloutier seconded an amendment to reduce the \$250,000 in Rep. Bowers' original motion to \$100,000 from Fund Balance to help pay the tax.

Amendment passed on a 4-1 show-of-hands vote (Rep. Bowers, Cloutier, Lovett and Laware voted "YES", while Rep. Osgood voted "No").

Rep. Bower's amended motion then was approved on 4-1 show-of-hands vote (Reps. Bowers, Cloutier, Lovett, and Laware voted "YES", while Rep. Osgood voted "No.")

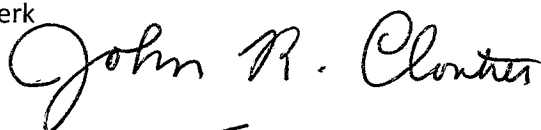
Next Mr. Chanis presented a 6-7-11 list of all of the EFC's proposed changes to the Commissioners' Proposed Fiscal Year 2012 Budget (See attached list) that were approved at the 5-23-11 and 6-7-11 meetings. According to the list.

The EFC's proposed changes would result in total budget of \$29,137,145 with the share of the budget to be raised by taxes increasing by a total of \$595,337 or 4.47% more than the Fiscal Year 2011 Budget.

Without objection, EFC agreed to tentatively meet on Thursday June 30 at 9:00 am, one hour before the scheduled County Convention in order to review its proposed changes to the Fiscal Year 2012 Budget, among other tasks.

Rep. Cloutier moved, Rep. Lovett seconded a motion to adjourn at 11:44 am.

Rep. John R. Cloutier
EFC Clerk



Date Approved: June 30, 2011